TEMPUS RESOURCES

ABN 70 625 645 338

TEMPUS RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE THREE AND NINE MONTHS ENDED 31 MARCH 2022

EXPRESSED IN AUSTRALIAN DOLLARS

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE AND NINE MONTHS ENDED 31 MARCH 2022

					Restated*
		For the three months ended		**For the nine months ended**	
	Notes	**31 March 2022**	**31 March 2021**	**31 March 2022**	**31 March 2021**
		$	**$**	**$**	**$**
Other income		17	24	314	1,052
Flow-through share premium recovery	6	92,936	-	537,018	528,243
Directors' and employee benefits expense		(55,399)	(95,925)	(266,898)	(239,051)
Legal and other professional fees		(211,438)	(262,590)	(634,478)	(499,596)
Regulatory fees		(63,244)	(44,887)	(246,478)	(239,190)
Finance costs		-	24	-	(27,180)
Advertising and marketing expenses		(63,302)	(314,163)	(199,335)	(373,412)
Ecuador claim		-	-	-	(228,071)
Depreciation expense		(7,510)	(1,804)	(26,246)	(3,764)
Share based payments	10(ii)	25,974	34,779	(266,306)	(415,956)
Interest expense		(1,077)	-	(4,035)	-
Impairment expense		-	-	-	(4,542)
Foreign exchange loss		(3,632)	(9,438)	(27,062)	(16,326)
Other expenses		(85,136)	(28,935)	(202,946)	(148,452)
Loss before income tax		**(371,811)**	**(722,915)**	**(1,336,452)**	**(1,666,245)**
Income tax expense		-	-	-	-
Loss for the period		**(371,811)**	**(722,915)**	**(1,336,452)**	**(1,666,245)**
Other comprehensive income/(loss)					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translating foreign operations		(197,982)	2,861	(163,710)	(208,002)
Total other comprehensive income/(loss)		(197,982)	2,861	(163,710)	(208,002)
Total comprehensive loss for the period		**(569,793)**	**(720,054)**	**(1,500,162)**	**(1,874,247)**
Loss attributable to:					
Non-controlling interests		(2)	(165)	(823)	(633)
Members of the parent		(371,809)	(722,750)	(1,335,629)	(1,665,612)
		(371,811)	**(722,915)**	**(1,336,452)**	**(1,666,245)**
Total comprehensive loss attributable to:					
Non-controlling interests		(2)	(165)	(823)	(633)
Members of the parent		(569,791)	(719,889)	(1,499,339)	(1,873,614)
		(569,793)	**(720,054)**	**(1,500,162)**	**(1,874,247)**
Loss per share					
- Basic loss per share (cents)		(0.30)	(0.84)	(1.13)	(2.08)
- Diluted loss per share (cents)		(0.30)	(0.84)	(1.13)	(2.08)

The accompanying notes form part of this interim financial report.

** Amounts have been restated to reflect a retrospective application of a change in accounting policy. Refer to Note 3 for further information.*

	Notes	31 March 2022 $	Restated* 30 June 2021 $	Restated* 1 July 2020 $
ASSETS				
Current assets				
Cash and cash equivalents		1,526,302	1,018,950	3,559,362
Trade and other receivables		45,962	247,097	93,980
Other assets		283,025	91,116	47,644
Total current assets		1,855,289	1,357,163	3,700,986
Non current assets				
Exploration and evaluation	5	14,954,560	11,493,499	5,611,482
Other assets		322,026	323,554	258,070
Right of use asset		113,089	141,311	-
Total non current assets		15,389,675	11,958,364	5,869,552
Total assets		**17,244,964**	**13,315,527**	**9,570,538**
LIABILITIES				
Current liabilities				
Trade and other payables		466,732	902,734	635,598
Provisions	7	225,105	224,027	-
Flow-through premium liability	6	466,225	-	528,243
Lease liabilities		68,042	36,946	-
Total current liabilities		1,226,104	1,163,707	1,163,841
Non current liabilities				
Provisions	8	2,328,105	2,325,778	2,681,523
Lease liabilities		43,681	102,879	-
Total non current liabilities		2,371,786	2,428,657	2,681,523
Total liabilities		**3,597,890**	**3,592,364**	**3,845,364**
Net assets		**13,647,074**	**9,723,163**	**5,725,174**
EQUITY				
Issued capital	9	19,395,191	14,499,424	8,515,764
Reserves	10	1,782,827	1,418,231	960,196
Accumulated losses		(7,505,127)	(6,169,498)	(3,725,121)
Equity attributable to owners of the Company		13,672,891	9,748,157	5,750,839
Non-controlling interest		(25,817)	(24,994)	(25,665)
Total equity		**13,647,074**	**9,723,163**	**5,725,174**

The accompanying notes form part of this interim financial report.

** Amounts have been restated to reflect a retrospective application of a change in accounting policy. Refer to Note 3 for further information.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MARCH 2022

For the nine months ended 31 March 2021

	Issued Capital $	Share based payment reserve $	Foreign exchange reserve $	Accumulated losses* $	Non-controlling interest $	Total* $
Balance at 1 July 2020	9,044,007	1,130,822	(170,626)	(3,725,121)	(25,665)	6,253,417
Effect of (the change in accounting policy) for the flow-through premium (Note 3)	(528,243)	-	-	-	-	(528,243)
Balance as at 1 July 2020 – as restated*	8,515,764	1,130,822	(170,626)	(3,725,121)	(25,665)	5,725,174
Loss for the period*	-	-	-	(1,665,612)	(633)	(1,666,245)
Other comprehensive income	-	-	(208,002)	-	-	(208,002)
Total comprehensive (loss) / income for the period	-	-	(208,002)	(1,665,612)	(633)	(1,874,247)
Issue of capital (net of costs)	4,246,818	30,054	-	-	-	4,276,872
Transfer to issued capital on issue of shares	135,029	(135,029)	-	-	-	-
Transfer to retained earnings upon cancellation of performance rights	-	(128,386)	-	128,386	-	-
Share based payments	-	415,956	-	-	-	415,956
Balance at 31 March 2021	**12,897,611**	**1,313,417**	**(378,628)**	**(5,262,347)**	**(26,298)**	**8,543,755**

For the nine months ended 31 March 2022

	Issued Capital $	Share based payment reserve $	Foreign exchange reserve $	Accumulated losses* $	Non-controlling interest $	Total* $
Balance at 1 July 2021*	14,499,424	1,630,271	(212,040)	(6,169,498)	(24,994)	9,723,163
Loss for the period	-	-	-	(1,335,629)	(823)	(1,336,452)
Other comprehensive income	-	-	(163,710)	-	-	(163,710)
Total comprehensive (loss) / income for the period	-	-	(163,710)	(1,335,629)	(823)	(1,500,162)
Issue of capital (net of costs)	6,166,761	-	-	-	-	6,166,761
Flow-through premium (Note 6)	(1,008,994)	-	-	-	-	(1,008,994)
Share based payments	(262,000)	528,306	-	-	-	266,306
Balance at 31 March 2022	**19,395,191**	**2,158,577**	**(375,750)**	**(7,505,127)**	**(25,817)**	**13,647,074**

The accompanying notes form part of this interim financial report.

** Amounts have been restated to reflect a retrospective application of a change in accounting policy. Refer to Note 3 for further information.*

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 MARCH 2022

	Notes	31 March 2022 $	31 March 2021 $
Cash flows from operating activities			
Interest received		314	1,052
Payments to suppliers and employees		(1,769,055)	(1,356,941)
Payments for exploration and evaluation		(3,595,977)	(4,818,543)
Interest paid		(2,322)	(461)
Net cash outflow from operating activities		(5,367,040)	(6,174,893)
Cash flows from investing activities			
Bonds paid		-	(31,501)
Net cash outflow from investing activities		-	(31,501)
Cash flows from financing activities			
Proceeds from issue of shares		6,276,900	3,794,619
Share issue costs paid		(300,126)	(461,136)
Proceeds from options exercised		-	40,000
Lease liability repayments		(26,133)	(4,605)
Net cash inflow from financing activities		5,950,641	3,368,878
Net increase / (decrease) in cash held		583,601	(2,837,516)
Cash at the beginning of the financial period		1,018,950	3,559,362
Effect of exchange rate changes on cash and cash equivalents		(76,249)	(65,563)
Cash at the end of the financial period		**1,526,302**	**656,283**

The accompanying notes form part of this interim financial report.

1. Corporate information

These condensed consolidated interim financial statements represent those of Tempus Resources Limited (the "Company") and its controlled entities (the "consolidated entity" or "Group") at the end of, or during the three and nine months ended 31 March 2022. The financial statements are presented in Australian dollars, which is Tempus Resources Limited's functional and presentation currency. Foreign operations are translated into Australian dollars using the exchange rates at the reporting date.

Tempus Resources Limited is a listed public company limited by shares, listed on the Australian Stock Exchange (ASX:TMR) and the TSX-Venture Exchange (TSXV: TMRR), incorporated in Australia and with a registered office at Level 2, 22 Mount Street, Perth, Western Australia, 6000, Australia.

Management's Responsibility for Condensed Consolidated Interim Financial Statements

The accompanying condensed consolidated interim financial statements of Tempus Resources Limited (the "consolidated entity" or "Group") are the responsibility of the Management of the Group. The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and reflect management's best estimate and judgements based on currently available information. Management is also responsible for a system of internal controls, which is designed to provide reasonable assurance that assets are safeguarded, liabilities are recognised, and that financial information is relevant and reliable. The Board of Directors are responsible for ensuring that management fulfils its responsibilities in respect of financial reporting and internal control. The Audit Committee of the Board of Directors, comprised of independent Directors, meets periodically with management and the consolidated entity's independent auditors to discuss auditing matters and financial reporting issues. In addition, the Audit Committee reviews the annual and interim financial statements and provides a recommendation to the Board of Directors on their approval.

These condensed consolidated financial statements were authorised by the Board of Directors of the Company on May 16, 2022.

2. Principal activities

The principal activity of the consolidated entity during the period was mineral exploration, with gold projects located in Canada and Ecuador.

3. Basis of preparation

Statement of compliance

The condensed consolidated interim financial statements is a general-purpose financial report that has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

The condensed consolidated interim financial statements do not include full disclosures of the type normally included in an annual financial report and should be read in conjunction with the audited annual financial report for the year ended 30 June 2021.

The accounting policies and methods of computation adopted in the preparation of these condensed consolidated interim financial statements are consistent with those adopted and disclosed in the Group's audited annual financial report for the year ended 30 June 2021 and are in accordance with International Financial Reporting Standards (IFRS) issued by the Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (Interpretations Committee).

3. Basis of preparation (continued)

Change in accounting policy

Flow-through share premium liability (FTS)

The consolidated entity may from time to time, issue flow-through common shares to finance its exploration program. The accounting policy outlined below has been adopted from 1 July 2021. The consolidated financial statements have been prepared incorporating retrospective application of a voluntary change in accounting policy relating to flow-through share arrangements. Management believes that the change in accounting policy will better align to industry practice and provide more relevant and reliable information to the users of the consolidated financial statements.

Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the consolidated entity bifurcates the flow-through share proceeds into: (i) share capital, for the fair value of common shares without a flow-through feature (based on quoted trading prices), and (ii) a flow-through share premium liability, for the amount investors pay for the flow-through feature (in excess of the quoted trading price of the common shares). Upon expenditures being incurred, the consolidated entity derecognizes the liability on a pro-rata basis to the expenditures incurred. The reduction of the flow-through share premium previously recorded is recognised as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian exploration expenses (as defined in the Tax Act).

The consolidated entity may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with the Canadian Income Tax Act and Canadian Income Tax flow-through regulations. When applicable, this tax is accrued as a financial expense until paid. A renouncement is made on a prospective basis, which then permits recognition of the liability when expenditures are being incurred.

A deferred tax liability is recognised, in accordance with International Accounting Standard 12 *Income Taxes*, for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures capitalised as an asset in the statement of financial position and its tax base.

Prior period balances have been restated to apply the change in accounting policy retrospectively. The impact on the consolidated financial statements incorporating the voluntary change in accounting policy is as follows:

	30 June 2021 $			**1 July 2020 $**		
	Previous policy	**Increase/ (decrease)**	**Restated**	**Previous policy**	**Increase/ (decrease)**	**Restated**
Consolidated statement of financial position (extract)						
Flow-through premium liability	-	-	-	-	528,243	528,243
Net assets	9,723,163	-	9,723,163	6,253,417	(528,243)	5,725,174
Accumulated losses	(6,697,741)	528,243	(6,169,498)	(3,725,121)	-	(3,725,121)
Issued capital	15,027,667	(528,243)	14,499,424	9,044,007	(528,243)	8,515,764
Total equity	9,723,163	-	9,723,163	6,253,417	(528,243)	5,725,174

	Nine months ended 31 March 2021 $		
	Previous policy	**Increase/ (decrease)**	**Restated**
Consolidated statement of profit or loss and comprehensive income (extract)			
Flow-through premium recovery	-	528,243	528,243
Loss for the year	(2,194,488)	528,243	(1,666,245)
Loss per share			
Basic and diluted (cents per share)	(2.74)	0.66	(2.08)

3. Basis of preparation (continued)

Change in accounting policy (continued)

Flow-through share premium liability (FTS) (continued)

The $528,243 retrospective restatement related to the completed flow-through share offering in June 2020. Given the fact that the consolidated entity had incurred all committed expenditures as of 31 March 2021 the consolidated entity restated the flow-through premium liability associated with this flow-through share as at 30 June 2020 and the flow-through premium recovery that should have been recognised in the nine months 31 March 2021. No flow-through premium liability was recognised for the flow-through share offerings that occurred after 30 June 2020 until August 2021, given there was no flow-through premium on these share offerings.

Critical accounting judgements, estimates and assumptions

Management evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity.

There have been no judgements, apart from those involving estimation, in applying accounting policies that have a significant effect on the amounts recognised in these financial statements.

Following is a summary of the key assumptions concerning the future and other key sources of estimation at reporting date that have not been disclosed elsewhere in these financial statements.

Exploration and evaluation expenditure
Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

Share based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

COVID-19 pandemic
Judgement has been exercised in considering the impacts that the COVID-19 pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographical regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

Rehabilitation provision
A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets requirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of the provision.

3. Basis of preparation (continued)

Critical accounting judgements, estimates and assumptions (continued)

Tax claim provision

A provision has been made for the present value of anticipated costs associated with amounts payable on an open tax claim. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Due to the uncertainty associated with such tax claims, there is a possibility that the final outcome may differ significantly at a future date.

New and revised accounting standards and interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of $1,336,452 and had net cash outflows from operating activities of $5,367,040 for the nine months ended 31 March 2022.

The ability of the consolidated entity to continue as a going concern is principally dependent upon the ability of the consolidated entity to secure funds by raising additional capital from equity markets and managing cash flows in line with available funds.

These factors indicate a material uncertainty, which may cast significant doubt as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Management believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the interim financial report due to the successful completion of transactions which raised $762,309 through the issue of shares subsequent to period end, as disclosed in Note 13 and plans to issue additional equity securities to raise further working capital. Management are confident that consolidated entity will be successful in sourcing further capital to fund ongoing operations of the consolidated entity.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

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4. Segment information

The consolidated entity operates within three geographical segments within mineral exploration and extraction being Australia, Canada and Ecuador. The segment information provided to the chief operating decision maker is as follows:

Three months ended 31 March 2022	**Corporate and Exploration activities AUSTRALIA $**	**Corporate and Exploration activities CANADA $**	**Exploration activities ECUADOR $**	**Consolidated $**
Other income	9	92,944	-	92,953
Total other income				92,953
Segment result before income tax	(275,005)	(96,806)	-	(371,811)
Loss before income tax				(371,811)
At 31 March 2022				
Segment assets	2,261,049	12,573,911	2,410,004	17,244,964
Total assets				17,244,964
Segment liabilities	166,718	3,100,042	331,130	3,597,890
Total Liabilities				3,597,890

Three months ended 31 March 2021	**Corporate and Exploration activities AUSTRALIA $**	**Corporate and Exploration activities CANADA $**	**Exploration Activities ECUADOR $**	**Consolidated $**
Other income	15	9	-	24
Total other income				24
Segment result before income tax	(642,760)	(80,155)	-	(722,915)
Loss before income tax				(722,915)
At 30 June 2021				
Segment assets	2,244,664	9,059,928	2,010,935	13,315,527
Total assets				13,315,527
Segment liabilities	386,071	2,880,911	325,382	3,592,364
Total Liabilities				3,592,364

4. Segment information (continued)

Nine months ended 31 March 2022	Corporate and Exploration activities AUSTRALIA $	Corporate and Exploration activities CANADA $	Exploration activities ECUADOR $	Consolidated $
Other income	49	537,283	-	537,332
Total other income				537,332
Segment result before income tax	(1,654,444)	317,992	-	(1,336,452)
Loss before income tax				(1,336,452)
At 31 March 2022				
Segment assets	2,261,049	12,573,911	2,410,004	17,244,964
Total assets				17,244,964
Segment liabilities	166,718	3,100,042	331,130	3,597,890
Total Liabilities				3,597,890

Nine months ended 31 March 2021	Corporate and Exploration activities AUSTRALIA $	Corporate and Exploration activities CANADA $	Exploration Activities ECUADOR $	Consolidated $
Other income*	339	528,956	-	529,295
Total other income				529,295
Segment result before income tax*	(1,812,871)	374,696	(228,070)	(1,666,245)
Loss before income tax				(1,666,245)
At 30 June 2021				
Segment assets	2,244,664	9,059,928	2,010,935	13,315,527
Total assets				13,315,527
Segment liabilities	386,071	2,880,911	325,382	3,592,364
Total Liabilities				3,592,364

***** *Certain amounts shown here do not correspond to the 31 March 2021 interim financial statements and reflect restatements disclosed in Note 3.*

5. Exploration and evaluation

A summary of the exploration and evaluation asset is as follows:

	31 March 2022 $	30 June 2021 $
Opening balance – 1 July	11,493,499	5,611,482
Acquisitions during the period	-	-
Expenditure incurred during the period[1]	3,541,587	6,107,099
Impairments	-	(4,542)
Changes in rehabilitation	14,745	(316,740)
Foreign exchange movements	(95,271)	96,200
Closing balance	14,954,560	11,493,499

5. Exploration and evaluation (continued)

[1] Expenditure incurred during the nine month period
A summary of the exploration and evaluation expenditure incurred:

	$
Assays	98,193
Camp expenses	605,781
Consulting fees	840,876
Drilling	1,309,964
Other	360,093
Wages & contractors	326,680
Expenditure incurred during the period	3,541,587

6. Flow-through premium liability	**31 March 2022 $**	**30 June 2021 $**
Opening balance – 1 July	-	528,243
Flow-through share premium liability recognised *	1,008,994	-
Flow-through expenditure incurred	(537,018)	(528,243)
Foreign exchange movements	(5,751)	-
Closing balance	466,225	-

* In August 2021, the consolidated entity issued 14,000,000 flow-through shares at a price of $0.2835 per flow-through share for gross proceeds of $3,969,000. The consolidated entity recorded a flow-through premium liability of $1,008,994 on the issuance of the flow-through shares. The consolidated entity is committed to spend these flow-through funds by 31 December 2022. During the nine months ended 31 March 2022, the consolidated entity spent approximately $2,148,520 of these flow-through funds and accordingly recorded a flow-through premium recovery of $537,018 in the statement of profit or loss and other comprehensive income. As a result, the flow-through premium liability balance as at March 31, 2022, was $466,225. As at 31 March 2022, the consolidated entity has a remaining commitment to incur qualifying CEE of $1,820,479.

7. Provisions: current	**31 March 2022 $**	**30 June 2021 $**
Ecuador provision (i)	220,293	219,238
Other provisions	4,812	4,789
	225,105	224,027

(i) A claim for tax liabilities associated with a portion of the Rio Zarza licence that was sold by Condor Gold pre acquisition. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

	31 March 2022 $	30 June 2021 $
8. Provisions: non-current		
Rehabilitation - Blackdome		
Opening balance – 1 July	2,325,778	2,681,523
Unwinding of discount	-	(48,880)
Changes in rehabilitation estimate	14,749	(284,009)
Foreign exchange movements	(12,422)	(22,856)
Closing balance	2,328,105	2,325,778

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, the life of mine estimates and discount rates could affect the carrying amount of this provision.

	31 March 2022 $	30 June 2021* $
9. Issued capital		
Ordinary shares – fully paid (i)	19,395,191	14,499,424
	19,395,191	14,499,424

(i) Ordinary shares

Date	No. of shares	Issue price $	$
Opening balance: 1 July 2021*	98,744,613		14,499,424
– 19 August 2021 – Public relation services	1,232,000	0.1780	220,000
– 27 August 2021 – Capital raising (flow-through)	14,000,000	0.2835	3,969,000
– Flow-through share premium liability	-		(1,008,994)
– 27 August 2021 – Capital raising	10,990,000	0.2100	2,307,900
– Capital raising costs	-		(592,139)
Closing balance: 31 March 2022	124,966,613		19,395,191

** Certain amounts shown here do not correspond to the 30 June 2021 annual financial statements and reflect restatements disclosed in Note 3.*

In August 2021, the consolidated entity issue 1,232,000 common shares valued at $220,000 for public relation services.

The consolidated entity completed a private placement through the issuance of 10,990,000 non-flow-through shares at a price of $0.21 per non-flow-through shares for gross proceeds of $2,307,900 and 14,000,000 flow-through shares at a price of $0.2835 per flow-through share for gross proceeds of $3,969,000.

The consolidated entity recorded a flow-through premium liability of $1,008,994 on issuance of the flow-through shares. The consolidated entity is committed to spend these flow-through funds by December 31, 2022. During the nine months ended March 31, 2022, the consolidated entity spent $2,148,520 of these flow-through funds and accordingly recorded a premium recovery of $537,018 on the statement of profit or loss and other comprehensive income and a flow-through premium liability of $466,225 as at 31 March 2022.

9. Issued capital (continued)

The consolidated entity incurred $330,127 of capital raising costs. The consolidated entity issued 2,500,000 unlisted options valued at $262,000 to brokers for their services for the capital raisings during the nine month period and accordingly recorded as a non-cash capital raising cost. Refer to Note 10 for further disclosure regarding the valuation of the unlisted options.

10. Reserves	**31 March 2022 $**	**30 June 2021 $**
Foreign currency reserve (i)	(375,750)	(212,040)
Share based payments reserve (ii)	2,158,577	1,630,271
	1,782,827	1,418,231

(i) Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

(ii) Share based payments reserve

Reconciliation of share based payments reserve

Opening balance 1 July 2021	1,630,271
Performance Rights – recognised as an expense	(5,874)
Options – recognised as an expense	272,180
Options – recognised in equity (share issue costs)	262,000
Closing balance 31 March 2022	2,158,577

Performance rights

During the nine months period, the consolidated entity granted 400,000 performance rights, with a total value of $102,000. Fair value was determined after taking into account the probabilities of vesting criteria being met and the expected vesting date.

The value expensed in relation to these performance rights during the period was $2,968 with the remaining amount to be expensed over the vesting period. The expense realised in respect to performance rights is intended to reflect the best available estimate of the number of performance rights expected to vest.

The following performance rights issued during the nine month period were valued based on the share price at grant date as they did not have market-based vesting conditions.

Grant date	Expiry date	Share price at grant date	Number of PRs	Value per PR	Total Value	Probability*	Expense during the period	Vesting date note
		$	#	$	$	%	$	
16/08/2021	19/08/2023	0.255	200,000	0.255	51,000	5	1,484	1
16/08/2021	19/08/2023	0.255	200,000	0.255	51,000	5	1,484	2
					102,000		2,968	

* The probability estimated by management is over the expiry date of the performance shares

10. Reserves (continued)

Vesting conditions:
1. Upon completion of a Mineral Resource estimate (conforming to the JORC Code 2012 Edition or any such subsequent JORC Code) equivalent to 500,000 Oz at a minimum grade of 1g/tonne Au on any mineral deposit in Canada that is validly owned by the consolidated entity or its Related Bodies Corporate.
2. Upon completion of an economic pre-feasibility study or higher in relation to any project in Canada that is validly owned by the consolidated entity or its Related Bodies Corporate.

The remaining expense of ($8,842) was the result of a reversal during the period due to a change in probabilities of vesting criteria in relation to performance rights granted in previous periods that are expensed over the vesting period.

The vesting of all performance rights granted is also conditional upon the holder's continued employment with the consolidated entity.

Performance rights outstanding at reporting date:

Opening balance 1 July 2021	3,226,000
Performance rights issued during the period	400,000
Performance rights lapsed/forfeited during the period	(2,400,000)
Performance rights expired during the period	(626,000)
Closing balance 31 March 2022	600,000

Options

During the nine month period, the consolidated entity granted 5,940,000 options, with a total fair value of $534,180. 1,360,000 options to key management personnel as part of an option incentive plan, with a total fair value of $84,320, 1,080,000 options to management, 1,000,000 options to a consultant for investor relation services and 2,500,000 options were issued to brokers, for services provided, with a total fair value of $449,860.

For the options issued during the period, a binomial (Hoadley ESO2) valuation model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of Options	Value per Option	Total Value	Vesting terms
		$	$	%	%	%	#	$	$	
10/11/2021	12/11/2024	0.160	0.250	100	0.87	-	1,000,000	0.0724	72,400	Immediately
16/08/2021	3/12/2024	0.255	0.315	100	0.16	-	1,500,000	0.1264	189,600	Immediately
18/11/2021	3/12/2024	0.150	0.310	100	0.97	-	1,360,000	0.062	84,320	Immediately
1/09/2021	3/12/2024	0.215	0.310	100	0.19	-	1,080,000	0.102	110,160	Immediately
12/11/2021	3/12/2024	0.155	0.174	100	1.02	-	1,000,000	0.077	77,700	Immediately
							5,940,000		534,180	

10. Reserves (continued)

Options outstanding at reporting date:

Grant date	Expiry date	Exercise price $	31 March 2022	30 June 2021
3 August 2018	3 August 2022	0.25	4,000,000	4,000,000
22 June 2020	25 June 2023	0.15	3,000,000	3,000,000
22 June 2020	25 June 2022	0.135	338,953	338,953
22 June 2020	25 June 2022	0.185	514,873	514,873
7 July 2020	10 September 2023	0.37	100,000	100,000
30 November 2020	14 December 2023	0.29	1,500,000	1,500,000
30 November 2020	14 December 2023	0.37	1,500,000	1,500,000
18 December 2020	18 December 2022	0.274	283,800	283,800
20 April 2021*	12 November 2024	0.20	1,500,000	-
14 May 2021	14 May 2023	0.165	362,264	362,264
14 May 2021*	12 November 2024	0.20	1,500,000	-
16 August 2021	3 December 2024	0.315	1,500,000	-
1 September 2021	3 December 2024	0.310	1,080,000	-
10 November 2021	12 November 2024	0.250	1,000,000	-
12 November 2021	3 December 2024	0.174	1,000,000	-
18 November 2021	3 December 2024	0.310	1,360,000	-
			20,539,890	11,599,890

* 3,000,000 options granted during the financial year ending 30 June 2021, were issued during the nine months ending 31 March 2022.

11. Commitments for expenditure

Capital
There are no capital commitments at 31 March 2022 (30 June 2021: nil).

Exploration and evaluation
The consolidated entity is required to maintain current rights of tenure to tenements, which require outlays of expenditure in future financial periods. Under certain circumstances these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however, they are expected to be fulfilled in the normal course of operations.

	31 March 2022 $	30 June 2021 $
The consolidated entity has tenement rental and expenditure commitments payable of:		
- Not later than 12 months	209,391	161,995
- Between 12 months and 5 years	1,467,426	1,217,815
- More than 5 years	722,283	1,032,091
	2,399,100	2,411,901

Flow-through exploration expenditure

During the nine months period, the consolidated entity issued 14,000,000 flow-through ordinary shares to raise $3,969,000 (before costs). As at 31 March 2022, $1,820,479 remains unspent. The consolidated entity has a commitment to expend these funds by 31 December 2022.

12. Dividends

There were no dividends paid, recommended or declared during the period.

13. Events after the reporting date

On 6 April 2022, the consolidated entity completed a non-brokered private placement to previously announced on 7 March 2022 and raised C$718,000 (A$762,309) through the issue of 9,828,571 fully paid ordinary shares of the Company at a price of C$0.07 per share and 352,940 flow-through shares of the Company at a price of C$0.085 per flow through share, with free-attaching options for both the flow through and non-flow through issues.

On 6 April 2022, 4,271,429 free-attaching options (non-flow through) and 176,471 free-attaching options (flow through) were issued in connection with the non-brokered private placement, expiring 2 years from date of issue at an issue price of C$0.07 and C$0.085 respectively. 424,706 unlisted options were issued to brokers as consideration for services provided, expiring 2 years from date of issue at an exercise price of C$0.07.

Whilst exploration activities have been able to continue, the impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practical to estimate the potential impact, positive or negative, after the reporting date. The situation is continually developing and is dependent on measures imposed by Australian, Canadian and Ecuadorian Governments, and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and economic stimulus that may be provided.

Management are not aware of any matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the consolidated entity the results of those operations, or the state of affairs of the consolidated entity in future financial years.

14. Contingent assets and liabilities

Contingent assets

The consolidated entity had no contingent assets as at 31 March 2022 and 30 June 2021.

Contingent liabilities

The Group acquired a 100% interest in No. 75 Corporate Ventures Ltd in the prior year. No. 75 Corporate Ventures Ltd holds 100% interest in the rights over the Blackdome project in Canada. There is significant uncertainty as to what future liabilities will arise in relation to potential closure and rehabilitation costs, contingent on determination of costs through completion of the closure and reclamation plans required by the Ministry of Energy, Mines and Petroleum Resources in Canada. All known costs that currently can be reliably measured have been recognised in provisions as disclosed in Note 8. The outcome and costs resulting from the approved rehabilitation plan as required by the Ministry of Energy, Mines and Petroleum Resources, cannot be measured sufficiently at this time.

The Group’s subsidiary, Condor Gold S.A., recognised a claim for tax liabilities in regards to a portion of the Rio Zarza licence that was sold by Condor Gold pre acquisition. There is significant uncertainty as to what future liabilities will arise in relation to this claim as the matter is still preliminary and is contingent on the outcome determined by the tax authority, affecting the amount required to settle the claim which cannot be measured with sufficient reliability at this time. All known costs that currently can be reliably measured have been recognised as a liability, as disclosed in Note 7. As more information is obtained regarding the claim from the tax authority, judgements and estimates may increase or decrease the possible impact on the Group’s financial statements.

The consolidated entity had no other contingent liabilities as at 31 March 2022 and 30 June 2021.